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13 September 1982

MEMORANDUM FOR: DCI

FROM: 

25X1

SUBJECT: Pipeline Paper

1. Let's combine the best ideas and intelligence from your draft memo to Cabinet members, the Ernst piece I revised on Friday, and the draft of the SNIE.

2. The objective would be a 10-12 page paper available on Wednesday for study by Cabinet members prior to the SIG-IEP that's scheduled for Thursday.

3. The paper would run like this:

a) The importance of the Yamal project to Soviet power. This section, drawn largely from pages 1-11 of the revised Ernst piece with examples from the SNIE draft, would show how the Soviets have come to depend on hard currency to enable a continuation of their arms buildup despite economic troubles, how much hard currency the Yamal project could earn, and the consequences to the Soviets of a hard currency squeeze if the Yamal project is delayed, or cut in half by agreement to abandon thoughts of a second strand.

b) The prospects for the Allies relieving pressure on themselves by reaching agreement on an approach to doing business with the Soviets that would take advantage of an unprecedented opportunity. This section, which would include paragraph 3 of the revised Ernst piece, would include virtually all of your draft memo to Cabinet members.

c) An optional third section would cover the material on pages 11-19 of the Ernst piece, on the kinds of agreements we might be able to reach with our Allies.

4. The point is, an intelligence paper is required for the Thursday meeting. Nothing we have in hand fills the bill by itself; the SNIE won't be available until at least next week. The sort of paper outlined above should do the trick.

5. Starting Tuesday morning, I could have a draft ready for you by close of business. Let me know if you want me to proceed.

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